



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02-07-2026

CORAM

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THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

**WP No. 22258 of 2026
and WMP.Nos.24156 & 24158 of 2026**

Sampoornam Sizing Mill
Represented by its Partner - A Velu,
No.228/2, Nasiyanoor Main Road,
Vettukattu Valasu, Erode - 638 012.
GSTIN 33AAQFS6390B1Z2.

..Petitioner

Vs

The State Tax Officer
Office of the Commercial Tax Officer,
Chithode Assessment Circle, Erode.

..Respondent

Prayer : Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of Writ of Certiorarified Mandamus calling for the records of the impugned proceedings of the Respondent in GSTIN 33AAQFS6390B1Z2/2022-23 dated 21.04.2026 and the consequential impugned Rejection Order in Form GST RFD-06 vide Reference No. ZD330426184667Z dated 21.04.2026 for the Tax Period June 2022 - July 2022 quash the same as being illegal and without jurisdiction and consequently direct the Respondent to forthwith sanction and disburse the refund of Rs.6,58,830/- (Rupees Six Lakhs Fifty-Eight Thousand Eight Hundred and Thirty Only) representing unutilised ITC accumulated under the Inverted Duty Structure for the tax periods June 2022 and July 2022.



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For Petitioner:

Mr. S. Rajasekar

For Respondent:

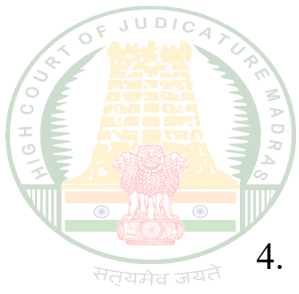
Mr. R.Sethu Prabakaran
Government Counsel (Tax)

ORDER

The petitioner is engaged in the manufacture and supply of grey fabrics. Asserting that the rate of tax on inputs utilised by the petitioner is higher than the rate of tax on the petitioner's outward supplies thereby resulting in inverted duty structure, the petitioner applied for refund on 02.04.2024 in relation to the accumulated Input Tax Credit (ITC) for the period June 2022 and July 2022. Initially, the petitioner was directed to file a fresh refund application after rectifying technical defects such as non-authentication of Aadhaar. Upon filing such fresh refund application, impugned order dated 21.04.2026 was issued rejecting the application as time barred.

2. Learned counsel for the petitioner submits that the fresh refund application filed pursuant to deficiency memo dated 19.07.2024 should be treated as a continuation of the original refund application.

3. Mr. R.Sethu Prabakaran, learned Government Counsel (Tax), submits that the fresh application was rejected because it was not filed with the original ARN number, but under a fresh ARN number. He also adds that the defect mentioned in deficiency memo dated 19.07.2024 was not cured.



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4. A tax payer is eligible for refund *inter alia* in relation to the accumulation of ITC under an inverted duty structure under Section 54. The limitation period for seeking such refund is two years. *Prima facie*, the original application lodged on 02.04.2024 is within such limitation period. Merely because the petitioner was called upon to file a fresh application, such application should not have been rejected on the ground of limitation. Hence, the impugned order is unsustainable and is hereby set aside. As a corollary, the respondent is directed to re-consider the refund application and pass fresh orders thereon within three months from the date of receipt of a copy of this order. It is needless to say that a reasonable opportunity should be provided to the petitioner before issuing such order.

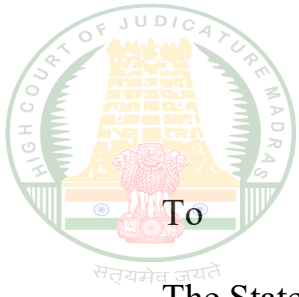
5. The writ petition is disposed of on the above terms. There will be no order as to costs. Consequently, connected miscellaneous petitions are closed.

02-07-2026

Index : Yes/No

Neutral Citation : Yes/No

KJ



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To

The State Tax Officer
Office of the Commercial Tax Officer,
Chithode Assessment Circle, Erode.



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SENTHILKUMAR RAMAMOORTHY, J.

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